



Metropolitan Edison Company
Post Office Box 542
Reading Pennsylvania 19640
215 929-3601

11737 MM
FEB 28 1986 -2 20 PM

Writer's Direct Dial Number

INTERSTATE COMMERCE COMMISSION

February 13, 1986

6-059A036

Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

No.
Date FEB 28 1986
Fee \$ 10.00

Attention: Secretary

ICC Washington, D. C.

Dear Sir:

Enclosed for recording with the Commission pursuant to Section 11303 of Title 49 of the U.S. Code and 49 C.F.R. Part 1177 is an original executed counterpart and two certified copies of the Secondary Mortgage Document described below:

The Secondary Mortgage Document is a Supplemental Indenture dated as of September 1, 1985, which relates to the following Primary Document recorded at I.C.C. recordation numbers 11737 (41 earlier Supplemental Indentures are recorded at I.C.C. recordation numbers 11737-A through 11737-FF): Indenture of Mortgage dated as of November 1, 1944 between Metropolitan Edison Company and Guaranty Trust Company of New York, Trustee.

The names and addresses of the parties to the documents are as follows:

Mortgagor: Metropolitan Edison Company
2800 Pottsville Pike
Reading, Pennsylvania 19640

Mortgagee: J. Henry Schroder Bank & Trust Co., Successor Trustee
One State Street
New York, New York 10015

Included in the property covered by the Primary Mortgage Document is a Schnabel type railroad car with an attached mobile transformer. The AAR number for the railroad car is GPUX100. This car is used or intended for use in connection with interstate commerce. Mortgagor owns a 20% undivided interest in such railroad car and transformer as a tenant in common with its affiliates, Pennsylvania Electric Company (which owns a 43% interest) and Jersey Central Power & Light Company (which owns a 37% interest).

The railroad car is not specifically described in the Primary Mortgage Document or in the Secondary Document. However, included in the property covered by the Primary Mortgage Document and the enclosed Secondary Document is all property or interests therein owned by Metropolitan Edison Company at the date of said Indenture of Mortgage or thereafter acquired by it. Also enclosed is a check in the amount of \$10.00 to cover the recording fee. Please acknowledge this filing by stamping the recordation information on the original executed counterpart of the Secondary Mortgage Document, for return to the undersigned, together with any extra copies not needed by the Commission.

A short summary of the enclosed Secondary Document to appear in the index is as follows: Supplemental Indenture dated as of September 1, 1985 to Mortgage recorded at I.C.C. recordation number 11737 and covering all equipment including interest in Schnabel type railroad car, AAR number GPUX100.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'R B Heist', written in a cursive style.

Robert B. Heist
Secretary and Staff Counsel

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

2/28/86

OFFICE OF THE SECRETARY

Robert B. Heist
Secretary & Staff Counsel
Metropolitan Edison Company
P.O.Box 542
Reading, PA. 19640

Dear

Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/28/86 at 2:30pm and assigned recordation number(s). 11737-GG

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

11737-84

FEB 28 1986 -2 20 PM

INTERSTATE COMMERCE COMMISSION

METROPOLITAN EDISON COMPANY

TO

J. HENRY SCHRODER BANK & TRUST COMPANY
as Trustee.

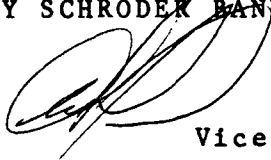
SUPPLEMENTAL INDENTURE

Dated as of September 1, 1985

J. HENRY SCHRODER BANK & TRUST COMPANY
hereby certifies that its Residence
and Post Office Address is
1 State Street, Borough of Manhattan,
City of New York, New York 10015.

J. HENRY SCHRODER BANK & TRUST COMPANY

By



Vice President

THIS SUPPLEMENTAL INDENTURE, made as of the 1st day of September, 1985, between METROPOLITAN EDISON COMPANY, a corporation of the Commonwealth of Pennsylvania, hereinafter sometimes referred to as the "Company", party of the first part, and J. HENRY SCHRODER BANK & TRUST COMPANY, a corporation of the State of New York, as Trustee under the Mortgage hereinafter referred to, hereinafter sometimes referred to as the "Trustee", party of the second part;

WHEREAS, the Company has heretofore executed and delivered to Guaranty Trust Company of New York, as Trustee, its Indenture dated November 1, 1944 (hereinafter sometimes referred to as the "Original Indenture"), which was duly supplemented by supplemental indentures dated as of February 1, 1947, May 20, 1947, September 1, 1947, September 1, 1948, October 4, 1949, February 1, 1950, July 19, 1950, December 1, 1950, March 1, 1952, May 1, 1953, July 1, 1954, October 1, 1954, June 1, 1957, May 1, 1960, December 1, 1962, March 20, 1964, July 1, 1965, June 1, 1966, March 22, 1968, September 1, 1968, August 1, 1969, November 1, 1971, May 1, 1972, December 1, 1973, October 30, 1974, October 31, 1974, March 20, 1975, September 25, 1975, January 12, 1976, March 1, 1976, September 28, 1977, January 1, 1978, September 1, 1978, June 1, 1979, January 1, 1980, September 1, 1981, September 10, 1981, December 1, 1982, September 1, 1983, September 1, 1984 and March 1, 1985, respectively, and which is hereby supplemented by this Supplemental Indenture, all of which are herein collectively referred to as the "Mortgage"; and

WHEREAS, under date of March 6, 1981, J. Henry Schroder Bank & Trust Company became successor Trustee under the Mortgage; and

WHEREAS, the Company has entered into a Pollution Control Facilities Agreement (hereinafter sometimes referred to as the "Agreement") dated as of September 1, 1985 with the Northampton County Industrial Development Authority (hereinafter sometimes referred to as "Authority"), a public instrumentality of the Commonwealth of Pennsylvania and a body corporate and politic organized under the Pennsylvania Industrial and Commercial Development Authority Law, pursuant to which the proceeds of the issuance by the Authority of its Pollution Control Revenue Bonds, 1985 Series A (Metropolitan Edison Company Project) (hereinafter sometimes referred to as the "Authority Bonds") under a Trust Indenture dated as of September 1, 1985 (hereinafter sometimes referred to as the "Authority Indenture") between the Authority and Hamilton Bank, as Trustee (hereinafter sometimes referred to as the "Authority Trustee") are to be used to finance a project (the "Project") consisting of the acquisition and construction of certain pollution control and sewage and solid waste disposal facilities (hereinafter sometimes referred to as the "Project Facilities") at the Company's Portland Generating Station in Northampton County, Pennsylvania; and

WHEREAS, to satisfy obligations under the Agreement to pay the purchase price for said Project Facilities, the Company desires by this Supplemental Indenture to create, and to define, in so far as the same is permitted by the Original Indenture, the form of and certain other matters with respect to the thirty-fifth series of bonds to be

issued under the Mortgage, to be designated "First Mortgage Bonds, 10-1/2% Series A due 1995" (hereinafter sometimes referred to as the "bonds of the New Series"), and to provide for the issuance thereof only as fully registered bonds; and

WHEREAS, all conditions and requirements necessary to make this Supplemental Indenture a valid, binding and legal instrument, in accordance with its terms, and for the purposes herein expressed, have been done, performed and fulfilled, and the execution and delivery hereof, in the form and terms hereof, have been in all respects duly authorized:

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE WITNESSETH: That in consideration of the premises, and of the sum of One Dollar (\$1.00) to the Company duly paid by the Trustee at or before the ensealing and delivery of these presents, and for other valuable considerations, the receipt whereof is hereby acknowledged, the Company hereby covenants and agrees to and with the Trustee and its successors in the trusts under the Mortgage, as follows:

ARTICLE I.

Creation of First Mortgage Bonds, 10-1/2% Series A due 1995,
and Specifications of Certain Matters With Respect Thereto

SECTION 1. The Company hereby creates the thirty-fifth series of bonds, not limited in principal amount, to be issued under and secured by the Mortgage, to be designated, and to be distinguished from bonds of all other series by the title "First Mortgage Bonds, 10-1/2% Series A due 1995".

SECTION 2. Bonds of the New Series for the aggregate principal amount of Twenty-eight million five hundred thousand dollars (\$28,500,000), being the initial issue thereof, may forthwith be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered to or upon the order of the designated officer or officers of the Company, upon compliance by the Company with the appropriate provisions and requirements of Article IV of the Original Indenture.

SECTION 3. Each bond of the New Series shall be dated the date of its authentication, and shall bear interest from the interest payment date to which interest has been paid or duly provided for with respect to bonds of the New Series next preceding the date of its authentication, unless its authentication date is (i) an interest payment date to which interest has been paid, in which case it shall bear interest from such date, or (ii) prior to March 1, 1986, in which case it shall bear interest from September 1, 1985. Unless previously redeemed pursuant to the provisions hereof and of the Mortgage, each bond of the New Series shall be payable on September 1, 1995, in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts, and shall bear interest payable in like coin or currency at the rate of 10-1/2% per annum and from the respective dates specified in the form of the bonds of the New Series, payable semi-annually on March 1 and September 1 of each year (commencing March 1, 1986) until maturity, and at maturity at the highest rate of interest borne by any of the bonds outstanding under the Mortgage from such date of maturity until they shall be paid or payment

thereof shall have been duly provided for, and (to the extent that payment of such interest is enforceable under applicable law) interest on any overdue installment of interest shall be payable at the highest rate of interest borne by any of the bonds outstanding under said Mortgage. Except as otherwise provided in any agreement entered into as hereinafter provided, principal of and interest on the bonds of the New Series shall be payable at the office or agency of the Company in the Borough of Manhattan, The City of New York.

The Company and the Trustee may enter into a written agreement with an institutional holder of any bond of the New Series providing, so long as such holder or any nominee of such holder is the holder of any such bond, for payment of principal thereof and interest thereon to be made by the Company directly to such holder by check mailed to an address specified therefor or by bank wire or interbank transfer of immediately available funds for credit to a bank account specified therefor, or at such other address as such holder shall have designated to the Company and the Trustee in writing for such purpose, in each case without surrender or presentation of such bond to the Company or the Trustee or the making of any notation thereon, except that any bond to be paid or redeemed in full shall be surrendered at the office or agency of the Company in the Borough of Manhattan, The City of New York for cancellation in order to receive payment, provided that under such agreement such holder shall agree that (a) before disposing of any such bond, such holder will make a notation thereon of all principal payments previously made thereon and of the date to which interest thereon has

been paid and (b) such holder will indemnify the Company and the Trustee against any and all costs, expenses and liabilities arising out of any payment of principal of any of such holder's bonds without presentment thereof to the Trustee. Any such agreement shall also provide that the holder of the bonds shall, within three business days of the payment of principal thereof or of interest thereon or default therein, give to the Trustee written notice of the receipt of the payment of such principal or interest or of a default in such payment, as the case may be. The Company hereby authorizes the Trustee (and any paying agent for the bonds of the New Series) to comply with each such agreement so delivered to the Trustee, notwithstanding the provisions of the Mortgage and of the bonds of the New Series, and at the Trustee's discretion, to place a legend on any bonds of the New Series which are subject to any such agreement describing the terms thereof. The Trustee shall be entitled to presume, without any obligation to verify independently, that the Company has made all payments related to principal (other than payment or redemption in full or repurchase of any bonds of the New Series) and interest on bonds of the New Series directly to the holder thereof who has entered into such agreement unless such holder shall otherwise notify the Trustee.

The bonds of the New Series shall be issuable only as fully registered bonds in the denominations of \$5,000 and any integral multiple thereof, and may be exchanged, in the manner and subject to the limitations provided in the Mortgage, for a like aggregate principal amount of bonds of the New Series of other authorized denominations without charge

except for any tax or taxes or other governmental charges incident to such exchange.

Bonds of the New Series shall be redeemable at the option of the Company in whole, at any time prior to maturity, at 100% of the principal amount thereof, together with accrued interest to the redemption date if any one or more of the following events shall have occurred, as evidenced in each case by a certificate of the Company delivered to the Trustee to the effect that one of such events has occurred, and describing the same: (i) the Company shall have determined that the continued construction or operation of the Project Facilities is impracticable, uneconomical or undesirable for any reason; or (ii) all or substantially all of the Project Facilities shall have been condemned or taken by a competent authority; or (iii) the construction or operation of the Project Facilities shall have been enjoined or shall have been otherwise prohibited by, or shall conflict with, the order or rule of any court of competent jurisdiction or of any federal, state or local regulatory body, administrative agency or other governmental body having jurisdiction over the Project Facilities.

Bonds of the New Series shall be subject to redemption as a whole, as more fully provided in Section 8.08 of the Mortgage, at 100% of the principal amount thereof, together with accrued interest to redemption date, in the event (a) that all the outstanding common stock of the Company shall be acquired by some governmental body or instrumentality and the Company elects to redeem all the bonds of all series, the redemp-

tion date in any such event to be not more than one hundred twenty (120) days after the date on which all said stock is so acquired, or (b) that all or substantially all of the mortgaged property constituting bondable property which at the time shall be subject to the lien of the Mortgage as a first lien shall be released from the lien of the Mortgage pursuant to the provisions thereof, and available moneys in the hands of the Trustee, including any moneys deposited by the Company for the purpose, are sufficient to redeem all the bonds of all series at the redemption prices (together with accrued interest to the date of redemption) specified therein applicable to the redemption thereof upon the happening of such event.

Notice with respect to any redemption of the bonds of the New Series shall be mailed by the Company to the Authority, the Authority Trustee and the Trustee not less than forty-five (45) days and not more than ninety (90) days prior to the redemption date and shall specify the matters set forth in the penultimate sentence of the first paragraph and, if applicable, the second sentence of the third paragraph of Section 8.02 of the Original Indenture. Each holder of bonds of the New Series by the acceptance of such bonds waives the right to any publication of a notice of such redemption in any newspaper as specified in Section 8.02 of the Original Indenture.

Any redemption of the bonds of the New Series may be effected out of cash deposited pursuant to Sections 5.06, 5.07 and 5.08 or Article IX of the Original Indenture, the premium, if any, and accrued

interest in case of any such redemption to be provided for by the Company pursuant to the provisions of Section 8.07 of the Original Indenture.

Bonds of the New Series shall be subject to mandatory repurchase by the Company prior to maturity at 100% of the principal amount thereof, plus interest accrued to the repurchase date, (a) in whole, upon a repurchase date (which date shall be fixed by the Company in a written notice mailed by the Company to the Trustee and to the Authority Trustee) which shall be within ten (10) days after receipt by the Trustee and the Company of a written demand for repurchase by the Authority Trustee, stating that the principal of all Authority Bonds then outstanding under the Authority Indenture has been declared to be immediately due and payable pursuant to the provisions of Section 9.02 thereof, or (b) in whole, or in part, upon a repurchase date (which date shall be fixed by the Company, after receipt by the Trustee and the Company of a written demand for repurchase by the Authority Trustee, in a written notice mailed by the Company to the Trustee and to the Authority Trustee at least forty-five (45) days prior to the date so fixed) which shall be within 120 days (or, in the absence of a written notice mailed by the Company, as aforesaid, on the 120th day) after a final determination by a court of competent jurisdiction or an administrative agency, to the effect that, as a result of a failure by the Company to perform or observe any covenant, agreement or warranty contained in the Agreement, the interest payable on Authority Bonds is includable for Federal income tax purposes in the holder's gross income, other than any holder of

Authority Bonds who is a "substantial user" of the Project Facilities or a "related person" within the meaning of Section 103(b) of the Internal Revenue Code of 1954 as amended (the "Code") to the extent necessary in order to redeem Authority Bonds so that interest payable on the Authority Bonds remaining outstanding after such redemption of Authority Bonds would not, in the opinion of recognized bond counsel, be included in the gross income of any holders, other than a holder of an Authority Bond who is a "substantial user" of the Project Facilities or a "related person" within the meaning of Section 103(b) of the Code. No determination by any court or administrative agency shall be considered final unless the Company shall have been given timely notice of the proceeding which resulted in such determination and an opportunity to participate in such proceeding, either directly or through a holder of an Authority Bond, to a degree it deems sufficient and until the conclusion of any appellate review or rehearing sought by any party to such proceeding or the expiration of the time for seeking such review or hearing. The Company shall not repurchase bonds of the New Series if it receives a written cancellation of the written demand from the Authority Trustee. Any such written demand from the Authority Trustee or a cancellation of such written demand shall be executed on behalf of such Authority Trustee by its President or a Vice President or a trust officer and shall be deemed received by the Trustee when delivered at its corporate trust office in the Borough of Manhattan, The City of New York. The Trustee may conclusively rely as to the truth of the statements contained therein, upon any such demand or cancellation.

SECTION 4. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the term "minimum provision for depreciation" when used for any purposes under the Mortgage and with reference to any period of time shall mean an amount computed pursuant to the provisions of Article I, Section 5 of the Supplemental Indenture dated March 1, 1952.

SECTION 5. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, clause (A)(II) of Section 1.06 of the Original Indenture shall be deemed amended as set forth in the quotation contained in Article I, Section 4 of the Supplemental Indenture dated May 1, 1960.

SECTION 6. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the first sentence of Section 5.20 of the Original Indenture shall be deemed amended as set forth in the quotation contained in Article I, Section 6 of the Supplemental Indenture dated December 1, 1950.

SECTION 7. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the Company will keep and perform the covenants set forth in Article I, Section 4 of the Supplemental Indenture dated March 1, 1952, irrespective of whether any of the bonds of the series created by such Supplemental Indenture shall be then outstanding.

SECTION 8. So long as any of the bonds of the New Series shall be secured by the lien of the Mortgage, the Company will keep and perform

the covenants and agreements set forth in Article I, Section 7 of the Supplemental Indenture dated June 1, 1957, irrespective of whether any of the bonds of the series created by such Supplemental Indenture shall be then outstanding.

SECTION 9. The Company covenants and agrees that, notwithstanding Section 2.03 of the Original Indenture, it will not charge any sum for or in connection with any exchange or registration of transfer of any bond of the New Series, but may require the payment of a sum sufficient to cover any tax or taxes or other governmental charges incident to any exchange or registration of transfer thereof.

ARTICLE II.

Form of the Bonds of the New Series.

The form of the bonds of the New Series and the Trustee's authentication certificate to be endorsed thereupon shall be substantially as follows, the denominations and numbers thereof to be appropriately inserted:

[FORM OF FACE OF NEW SERIES BONDS]

METROPOLITAN EDISON COMPANY
(Incorporated under the laws
of the
Commonwealth of Pennsylvania)

FIRST MORTGAGE BOND, 10-1/2% SERIES A DUE 1995

\$

No.

METROPOLITAN EDISON COMPANY, a corporation of the Commonwealth of Pennsylvania (hereinafter called the "Company"), for value received,

hereby promises to pay to _____ or registered assigns, _____ DOLLARS on September 1, 1995, at the office or agency of the Company in the Borough of Manhattan, The City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public or private debts, and to pay interest thereon semi-annually on March 1 and September 1 of each year (commencing March 1, 1986) at the rate of 10-1/2% per annum, at said office or agency in like coin or currency, from September 1, 1985, or from the most recent interest payment date to which interest has been paid or duly provided for with respect to bonds of the aforesaid series (subject to certain exceptions provided in the Mortgage hereinafter mentioned), until this bond shall mature, according to its terms or on prior redemption or by declaration or otherwise, and at the highest rate of interest borne by any of the bonds outstanding under the Mortgage hereinafter mentioned from such date of maturity until this bond shall be paid or the payment hereof shall have been duly provided for, and (to the extent that payment of such interest is enforceable under applicable law) to pay interest on any overdue installment of interest at the highest rate of interest borne by any of the bonds outstanding under said Mortgage.

Reference is hereby made to the further provisions of this bond set forth on the reverse hereof. Such further provisions shall for all purposes have the same effect as though fully set forth at this place.

This bond shall not become valid or obligatory for any purpose until J. Henry Schroder Bank & Trust Company, or its successor, as

Trustee under the Mortgage, shall have signed the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, METROPOLITAN EDISON COMPANY has caused this bond to be signed in its name by its President or one of its Vice Presidents and its corporate seal, or a facsimile thereof, to be affixed hereto and attested by its Secretary or one of its Assistant Secretaries.

DATED:

METROPOLITAN EDISON COMPANY

By

Vice President

ATTEST:

Secretary

[FORM OF TRUSTEE'S AUTHENTICATION CERTIFICATE
ON BONDS OF THE NEW SERIES]

TRUSTEE'S AUTHENTICATION CERTIFICATE

This bond is one of the bonds, of the series herein designated, provided for in the within-mentioned Mortgage.

J. HENRY SCHRODER BANK & TRUST COMPANY,
Trustee

By

Authorized Officer

[FORM OF REVERSE OF NEW SERIES BONDS]

METROPOLITAN EDISON COMPANY
(Incorporated under the laws
of the
Commonwealth of Pennsylvania)

FIRST MORTGAGE BOND, 10-1/2% SERIES A DUE 1995

This bond is one of an issue of bonds of the Company (herein referred to as the "bonds"), not limited in principal amount except as in the Mortgage hereinafter mentioned provided, issuable in series, which different series may mature at different times, may bear interest at different rates, and may otherwise vary as in the Mortgage hereinafter mentioned provided, and is one of a series known as its First Mortgage Bonds, 10-1/2% A Series due September 1, 1995 (herein referred to as "bonds of the New Series"), all bonds of all series issued and to be issued under and equally and ratably secured (except in so far as any sinking or analogous fund, established in accordance with the provisions of the Mortgage hereinafter mentioned, may afford additional security for the bonds of any particular series) by a Mortgage and Deed of Trust, dated November 1, 1944 (herein, together with any indentures supplemental thereto, including, but not by way of limitation, the indentures supplemental thereto dated as of February 1, 1947, May 20, 1947, September 1, 1947, September 1, 1948, October 4, 1949, February 1, 1950, July 19, 1950, December 1, 1950, March 1, 1952, May 1, 1953, July 1, 1954, October 1, 1954, June 1, 1957, May 1, 1960, December 1, 1962, March 20, 1964, July 1, 1965, June 1, 1966, March 22, 1968, September 1,

1968, August 1, 1969, November 1, 1971, May 1, 1972, December 1, 1973, October 30, 1974, October 31, 1974, March 20, 1975, September 25, 1975, January 12, 1976, March 1, 1976, September 28, 1977, January 1, 1978, September 1, 1978, June 1, 1979, January 1, 1980, September 1, 1981, September 10, 1981, December 1, 1982, September 1, 1983, September 1, 1984, March 1, 1985 and September 1, 1985 called the "Mortgage"), under which J. Henry Schroder Bank & Trust Company is successor Trustee, and to which Mortgage reference is made for a description of the property mortgaged, the nature and extent of the security, the rights of the holders of the bonds and of the Company in respect thereof, the rights, duties and immunities of the Trustee, and the terms and conditions upon which the bonds are, and are to be, issued and secured. The Mortgage contains provisions permitting the holders of not less than seventy-five per centum (75%) in principal amount of all the bonds at the time outstanding, determined and evidenced as provided in the Mortgage, or in case the rights under the Mortgage of the holders of bonds of one or more, but less than all, of the series of bonds outstanding shall be affected, the holders of not less than seventy-five per centum (75%) in principal amount of the outstanding bonds of such one or more series affected, except that if any such action would affect the bonds of two or more series, the holders of not less than seventy-five per centum (75%) in principal amount of outstanding bonds of such two or more series, which need not include seventy-five per centum (75%) in principal amount of outstanding bonds of each of such series, determined and evidenced as

provided in the Mortgage, on behalf of the holders of all the bonds, to waive any past default under the Mortgage and its consequences except a completed default, as defined in the Mortgage, in respect of the payment of the principal of or interest on any bond or default arising from the creation of any lien ranking prior to or equal with the lien of the Mortgage on any of the mortgaged property, subject to the condition that, in case the rights of the holders of less than all of the series of bonds outstanding shall be affected, no waiver of any past default or its consequences shall be effective unless approved by the holders of not less than a majority of all the bonds at the time outstanding. The Mortgage also contains provisions permitting the Company and the Trustee, with the consent of the holders of not less than seventy-five per centum (75%) in principal amount of all the bonds at the time outstanding, determined and evidenced as provided in the Mortgage, or in case the rights under the Mortgage of the holders of bonds of one or more, but less than all, of the series of bonds outstanding shall be affected, then with the consent of the holders of not less than seventy-five per centum (75%) in principal amount of the outstanding bonds of such one or more series affected, except that if any such action would affect the bonds of two or more series, the holders of not less than seventy-five per centum (75%) in principal amount of outstanding bonds of such two or more series, which need not include seventy-five per centum (75%) in principal amount of outstanding bonds of each of such series, determined and evidenced as provided in the Mortgage, to execute supplemental indentures adding any provisions to or changing in any manner or eliminating any of

the provisions of the Mortgage or modifying in any manner the rights of the holders of the bonds and coupons; provided, however, that no such supplemental indenture shall (i) extend the fixed maturity of any bonds, or reduce the rate or extend the time of payment of interest thereon, or reduce the principal amount thereof, without the consent of the holder of each bond so affected, or (ii) reduce the aforesaid percentage of bonds, the holders of which are required to consent to any such supplemental indenture, without the consent of the holders of all bonds then outstanding, or (iii) permit the creation of any lien ranking prior to or equal with the lien of the Mortgage on any of the mortgaged property, or (iv) deprive the holder of any outstanding bond of the lien of the Mortgage on any of the mortgaged property. Any such waiver or consent by the holder of this bond (unless effectively revoked as provided in the Mortgage) shall be conclusive and binding upon such holder and upon all future holders of this bond, irrespective of whether or not any notation of such waiver or consent is made upon this bond.

No reference herein to the Mortgage and no provision of this bond or of the Mortgage shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and interest on this bond at the time and place and at the rate and in the coin or currency herein prescribed.

The bonds of the New Series are issuable only as fully registered bonds in denominations of \$5,000, and any integral multiple of \$5,000. In the manner and subject to the limitations provided in the Mortgage, bonds of the New Series may be exchanged for a like aggregate principal

amount of bonds of such series of other authorized denominations without charge except for any tax or taxes or other governmental charges incident to such exchange.

Bonds of the New Series shall be redeemable at the option of the Company in whole, at any time prior to maturity at 100% of the principal amount thereof, together with accrued interest to the redemption date if any one or more of the following events shall have occurred, as evidenced in each case by a certificate of the Company delivered to the Trustee to the effect that one of such events has occurred, and describing the same: (i) the Company shall have determined that the continued construction or operation of the pollution control and sewage and solid waste disposal facilities (the "Project Facilities") constructed pursuant to a Pollution Control Facilities Agreement (the "Agreement") dated as of September 1, 1985 entered into by the Company with the Northampton County Industrial Development Authority (the "Authority") is impracticable, uneconomical or undesirable for any reason; or (ii) all or substantially all of the Project Facilities shall have been condemned or taken by a competent authority; or (iii) the construction or operation of the Project Facilities shall have been enjoined or shall have been otherwise prohibited by, or shall conflict with, any order or rule of any court of competent jurisdiction or of any federal, state or local regulatory body, administrative agency or other governmental body having jurisdiction over the Project Facilities.

Bonds of the New Series shall be subject to redemption as a whole, as more fully provided in Section 8.08 of the Mortgage, at 100% of the

principal amount thereof, together with accrued interest to the redemption date, in the event (a) that all the outstanding common stock of the Company shall be acquired by some governmental body or instrumentality and the Company elects to redeem all the bonds of all series, the redemption date in any such event to be not more than one hundred twenty days after the date on which all said stock is so acquired, or (b) that all or substantially all of the mortgaged property (constituting bondable property as defined in the Mortgage) which at the time shall be subject to the lien of the Mortgage as a first lien shall be released from the lien of the Mortgage pursuant to the provisions thereof, and available moneys in the hands of J. Henry Schroder Bank & Trust Company, or its successor, as Trustee, including any moneys deposited by the Company for the purpose, are sufficient to redeem all the bonds of all series at the redemption prices (together with accrued interest to the date of redemption) specified therein applicable to the redemption thereof upon the happening of such event.

Notice with respect to any redemption of the bonds of the New Series shall be mailed by the Company to the Authority, the Authority Trustee (as defined hereinbelow) and the Trustee not less than forty-five (45) days and not more than ninety (90) days prior to the redemption date and shall specify the matters set forth in the penultimate sentence of the first paragraph and, if applicable, the second sentence of the third paragraph of Section 8.02 of the Original Indenture. Each holder of bonds of the New Series by the acceptance of such bonds waives the

right to any publication of a notice of such redemption in any newspaper as specified in Section 8.02 of the Original Indenture.

Redemption of the bonds of the New Series may be effected, as more fully provided in said Supplemental Indenture dated as of September 1, 1985, out of cash deposited pursuant to Sections 5.06, 5.07 and 5.08, and Article IX of the Mortgage, the premium, if any, and accrued interest in case of any such redemption to be paid out of cash deposited by the Company for the purpose.

The Mortgage provides that any notice of redemption of bonds may state that it is subject to the receipt of the redemption moneys by the Trustee before the date fixed for redemption and such notice shall be of no effect unless such moneys are received before such date.

The Mortgage provides that if the Company shall deposit with the Trustee in trust for the purpose, funds sufficient to pay the principal of all of the bonds of any series, or such of the bonds of any series as have been or are to be called for redemption and premium, if any, thereon, and all interest payable on such bonds (or portions) to the date on which they become due and payable at maturity or upon redemption or otherwise, and complies with the other provisions of the Mortgage in respect thereof, then from the date of such deposit such bonds (or portions) shall no longer be secured by the lien of the Mortgage.

The Mortgage provides that, upon any partial redemption of a fully registered bond, upon surrender thereof endorsed for transfer, new bonds of the same series and of authorized denominations in principal amount

equal to the unredeemed portion of such fully registered bond will be delivered without charge in exchange therefor.

The principal hereof may be declared or may become due prior to the express date of the maturity hereof on the conditions, in the manner and at the time set forth in the Mortgage, upon the occurrence of a completed default as in the Mortgage provided.

Bonds of the New Series shall be subject to mandatory repurchase by the Company prior to maturity at 100% of the principal amount thereof, plus interest accrued to the repurchase date, (a) in whole, upon a repurchase date (which date shall be fixed by the Company in a written notice mailed by the Company to the Trustee and to the Authority Trustee) which shall be within ten (10) days after receipt by the Trustee and the Company of a written demand for repurchase by the Authority Trustee, stating that the principal of all Authority Bonds then outstanding under the Authority Indenture has been declared to be immediately due and payable pursuant to the provisions of Section 9.02 thereof, or (b) in whole, or in part, upon a repurchase date (which date shall be fixed by the Company, after receipt by the Trustee and the Company of a written demand for repurchase by the Authority Trustee, in a written notice mailed by the Company to the Trustee and to the Authority Trustee at least forty-five (45) days prior to the date so fixed) which shall be within 120 days (or, in the absence of a written notice mailed by the Company, as aforesaid, on the 120th day) after a final determination by a

court of competent jurisdiction or an administrative agency, to the effect that, as a result of a failure by the Company to perform or observe any covenant, agreement or warranty contained in the Agreement, the interest payable on Authority Bonds is includable for Federal income tax purposes in the holder's gross income, other than any holder of Authority Bonds who is a "substantial user" of the Project Facilities or a "related person" within the meaning of Section 103(b) of the Internal Revenue Code of 1954 as amended (the "Code") to the extent necessary in order to redeem Authority Bonds so that interest payable on the Authority Bonds remaining outstanding after such redemption of Authority Bonds would not, in the opinion of recognized bond counsel, be included in the gross income of any holders, other than a holder of an Authority Bond who is a "substantial user" of the Project Facilities or a "related person" within the meaning of Section 103(b) of the Code. No determination by any court or administrative agency shall be considered final unless the Company shall have been given timely notice of the proceeding which resulted in such determination and an opportunity to participate in such proceeding, either directly or through a holder of an Authority Bond, to a degree it deems sufficient and until the conclusion of any appellate review or rehearing sought by any party to such proceeding or the expiration of the time for seeking such review or hearing. The Company shall not repurchase bonds of the New Series if it receives a written cancellation of the written demand from the Authority Trustee. Any such

written demand from the Authority Trustee or a cancellation of such written demand shall be executed on behalf of such Authority Trustee by its President or a Vice President or a trust officer and shall be deemed received by the Trustee when delivered at its corporate trust office in the Borough of Manhattan, The City of New York. The Trustee may conclusively rely as to the truth of the statements contained therein, upon any such demand or cancellation.

No recourse shall be had for the payment of the principal or interest on this bond, or for any claim based hereon, or otherwise in respect hereof, or based on or in respect of the Mortgage or under or upon any obligation, covenant or agreement contained in the Mortgage, against any incorporator, or any past, present or future subscriber to the capital stock, stockholder, officer or director, as such, of the Company or of any predecessor or successor corporation, either directly or through the Company or any predecessor or successor corporation, under any present or future rule of law, statute or constitution or by the enforcement of any assessment or otherwise, all such liability of incorporators, subscribers, stockholders, officers and directors, as such, being waived and released by the holder and owner hereof by the acceptance of this bond and being likewise waived and released by the terms of the Mortgage.

ARTICLE III

Miscellaneous.

SECTION 1. The Trustee, for itself and its successors in said trusts, hereby accepts the conveyance, transfer and assignment of the property included in this Supplemental Indenture upon the trusts, terms and conditions expressed in the Mortgage.

SECTION 2. This Supplemental Indenture shall be simultaneously executed in several counterparts, and all such counterparts executed and delivered, each as an original, shall constitute but one and the same instrument.

SECTION 3. The recitals of fact contained herein and in the bonds of the New Series (other than the Trustee's certificate of authentication) shall be taken as the statements of the Company and the Trustee assumes no responsibility for the correctness of the same.

IN WITNESS WHEREOF, METROPOLITAN EDISON COMPANY, party of the first part, has caused this instrument to be signed in its name and behalf by a Vice President and its corporate seal to be hereunto affixed and attested by an Assistant Secretary, and J. HENRY SCHRODER BANK & TRUST COMPANY, party of the second part, in token of its acceptance of the trust hereby created, has caused this instrument to be signed in its name and behalf by an Assistant Vice President and its corporate seal to be

hereunto affixed and attested by an Assistant Secretary, all as of the day and year first above written.



METROPOLITAN EDISON COMPANY

By 
E. W. Schleicher, Senior Vice President


Attest:


Rita M. Powers, Assistant Secretary

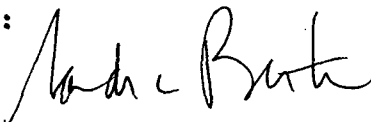
Signed, sealed and delivered by said
Metropolitan Edison Company in the
presence of:

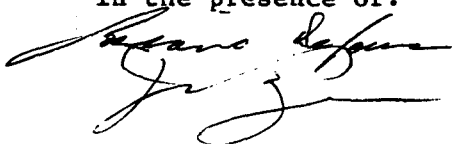
J. HENRY SCHRODER BANK & TRUST COMPANY

By 
Max Volmar, ~~Assistant~~ Vice President

Attest:


Sandra Bertin, Assistant Secretary

Signed, sealed and delivered by said
J. Henry Schroder Bank & Trust Company
in the presence of:



COMMONWEALTH OF PENNSYLVANIA)
 : ss.
 COUNTY OF BERKS)

On the 16th day of September, 1985, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Rita M. Powers, Assistant Secretary of METROPOLITAN EDISON COMPANY, who, being duly sworn, according to law, says that she was personally present at the execution of the foregoing Supplemental Indenture, and saw the common or corporate seal of the said corporation duly affixed thereto; that the seal so affixed thereto is the common or corporate seal of the said corporation; that the foregoing Supplemental Indenture was duly sealed and delivered by E. W. Schleicher, Senior Vice President of said corporation, as and for the act and deed of said corporation, for the uses and purposes therein mentioned, by authority of the Board of Directors of said corporation; and that the names of this deponent as Assistant Secretary and of E. W. Schleicher, as Senior Vice President of the said corporation, subscribed to the foregoing Supplemental Indenture in attestation of its due execution and delivery, are of their and each of their respective handwritings.

Rita M. Powers

Rita M. Powers, Assistant Secretary

Sworn to and subscribed before me the day and year aforesaid.

Katherine M. Zechman

KATHERINE M. ZECHMAN, Notary Public
 Muhlenberg Twp., Berks County, Pa.
 My Commission Expires Nov. 23, 1987

STATE OF NEW YORK)
 : ss.
 COUNTY OF NEW YORK)

On the 17th day of September, 1985, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared Sandra Bertin, an Assistant Secretary of J. HENRY SCHRODER BANK & TRUST COMPANY, who being duly sworn, according to law, says that she was personally present at the execution of the foregoing Supplemental Indenture, and saw the common or corporate seal of the said corporation duly affixed thereto; that the seal so affixed thereto is the common or corporate seal of the said corporation; that the foregoing Supplemental Indenture was duly sealed and delivered by Max Volmar, Vice President of said corporation, as and for the act and deed of said corporation, for the uses and purposes therein mentioned, by authority of the Board of Directors of said corporation; and that the names of this deponent as Assistant Secretary and of Max Volmar, Vice President of the said corporation, subscribed to the foregoing Supplemental Indenture in attestation of its due execution and delivery, are of their and each of their respective handwritings.



Sandra Bertin, Assistant Secretary

Sworn to and subscribed before me the day and year aforesaid. I am not a director or officer of said J. Henry Schroder Bank & Trust Company.



DENISE MASIELLO
 Notary Public, State of New York
 No 41-7750155
 Qualified in Queens County
 Cert Filed in New York County
 Commission Expires March 30, 1986

METROPOLITAN EDISON COMPANY

CERTIFICATE

The undersigned Secretary of METROPOLITAN EDISON COMPANY, a corporation duly organized and existing under the laws of the Commonwealth of Pennsylvania, hereby certifies that he has compared the copy with the original Supplemental Indenture, dated as of September 1, 1985, delivered to J. Henry Schroder Bank & Trust Company, Trustee, and found the copy to be complete and identical in all respects to the original document.

WITNESS the signature of the undersigned as such officer of the Company and its corporate seal hereunto affixed this 5th day of February, 1986.



Secretary